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SUBJECT: AFGHANISTAN - JCMB VII DISCUSSES AN INTEGRATED STRATEGY AND COUNTER-NARCOTICS FEBRUARY 5 AND 6, 2008

REF: Kabul 0455

11. SUMMARY: Convened in Tokyo, Japan, the Joint Coordination and Monitoring Board (JCMB) held its second session at the Political Directors' level (JCMB-PD) on February 5, and its seventh regular session (JCMB-VII) on February 6, 2008. The Political Directors considered a discussion paper that urged consideration of a more comprehensive strategy to stabilize Afghanistan (reported reftel). At the regular session, counter-narcotics was the main theme, as the participants confirmed an action paper drafted by the Government of the Islamic Republic of Afghanistan (GIROA) with assistance from the U.S. and U.K. Embassies. We achieved our main aims when the JCMB as a whole recognized the nexus between the insurgency and narcotics production, called for immediate decisive action against narcotics, endorsed a goal for 2008 of eradicating 50,000 hectares of poppies, and reconfirmed the 12 action principles of the Policy Action Group. In addition, JCMB-VII approved an increase in the Afghan National Army force structure from 70,000 to 80,000, and acknowledged that --depending on a study now being conducted by the Combined Security Transition Command Afghanistan (CSTC-A) -- further increases might be required. The discussion of the "Actions and Decisions" portion of the agenda revealed considerable donor frustration with the lack of Afghan government leadership in the anti-corruption and counter-narcotics areas. The theme for the next meeting (JCMB-VIII will be held in Kabul sometime this spring) will be governance, especially sub-national governance. END SUMMARY.

12. On February 5, on the margins of the G-8 political directors meeting, the JCMB met at the Political Directors level in Tokyo, Japan to discuss broad security issues. The U.S. delegation to that meeting, and to the JCMB-VII (the Regular Session) held the following day, consisted of State/SCA Bureau Deputy Assistant Secretary Patrick Moon, who was joined by Amb. Christopher Dell

(Deputy Chief of Mission, AmEmbassy Kabul) and Amb. Thomas Schweich (PDAS State/INL Bureau). That meeting is reported reftel.

Countering the Flow of Narcotics: JCMB-VII's Theme

13. On February 6, 2008, Bo Asplund, the Acting Senior Representative of the Secretary General (SRSG) of the United Nations Assistance Mission in Afghanistan (UNAMA), opened the JCMB seventh regular session (JCMB-VII). Setting the stage for the counter-narcotics discussion, Asplund noted that there is a marriage of convenience between the Taliban and drug lords, with the complicity of corrupt Afghan officials. Drug lords might use their illicit earnings to buy either election to the Parliament or Afghan parliamentarians, thus subverting democracy. Implicitly rebuking those such as New York University professor Dr. Barrett Rubin (a colleague of tenured NYU professor and current Afghanistan National Development Strategy Director Dr. Ishaq Nadiri) who argue that "nothing can be done now about poppy growing -- only a long-term alternative livelihood plan stretching over decades can reduce poppy cultivation," Asplund asserted strongly that "we must start treatment now if the patient is to survive" for the longer term.

Afghans Pledge Stronger CN Action

14. In an atmosphere of broad consensus, the GIROA and its international partners approved a plan at the JCMB-VII on expanding implementation of the 2006 National Drug Control Strategy (NDCS) and endorsing all 12 counter-narcotics (CN) action points previously agreed in Kabul by the Policy Action Group (PAG). The Afghan government recognized the great scale of the narcotics problem (Afghanistan produced 93 percent of the world's opium poppy in 2007) and took account of narcotics' symbiotic connection to the

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insurgency and the threat drug money poses to the country's fragile democratic institutions.

- 15. Both Afghans and the international community affirmed that the NDCS already offers a sound CN strategy and that strong implementation -- not another strategy -- is the key for turning the corner on narcotics. In the newly agreed implementation plan, the Afghans committed to:
- -- 1) undertake more vigorous eradication by eradicating 50,000 hectares of poppy in 2008 while also providing force protection to eradicators;
- -- 2) restructure the slow-performing Counter Narcotics Trust Fund (CNTF);
- $\,$ -- 3) redesign and, if funding allows, expand alternative livelihood programs;
- -- 4) increase interdiction and arrests of narcotics traffickers and corrupt officials;
- -- 5) undertake comprehensive CN planning on a provincial basis and hold governors accountable for results;
- -- 6) expand regional CN cooperation and place Afghan CN liaison officers in some neighboring countries; and
- -- 7) "mainstream" CN as a priority in the planning of all relevant ministries.

For the next JCMB, the Afghan government agreed to provide a proposal for restructuring the CNTF; Deputy Interior Minister General Daoud also said the government would present the next JCMB with a record of its actions in arresting and prosecuting high-level narco-traffickers.

Cautious Optimism on 2008 Narcotics Developments

16. UNODC director Antonio Maria Costa described a slightly improved outlook for poppy cultivation in 2008. While Costa predicted another large opium crop on the scale of last year's, he said it was a positive development that poppy cultivation will be mainly confined to five contiguous provinces in Afghanistan's south and southwest. About a dozen of Afghanistan's 34 provinces will probably

remain poppy-free in 2008, Costa said. Costa predicted continued success in Badakhshan and a major reduction in cultivation in Nangarhar, which was Afghanistan's second largest poppy producing province in 2007. UNAMA and UNODC officials noted that these positive developments stood in contradiction to the usually pessimistic picture painted by the international press.

Afghans: Give Us More Alternative Livelihood Funding U.S.: Funding Cannot Be a Pre-Condition for Action

- 17. GIROA representatives unanimously called for donation of substantial new funds to provide alternative livelihoods (AL) to farmers who choose or are forced to abandon poppy cultivation. "The Afghans are ready," ANDS Director Ishaq Nadiri challenged, "but the international community must support us." Nadiri and Minister of Finance Ahady argued that meeting the implementation plan's commitment to eradication will entail from \$250 million to \$500 million a year in new funds. So far, Ahady declared, AL assistance has failed to stem the narcotics tide. The GIROA hoped that a reformed Counter-Narcotics Trust Fund would provide the mechanism for delivering the new aid; however, they did not speculate about the possible sources for this new AL assistance. (Note: USAID delivered about \$280 million in AL programs in Afghanistan in 2007.)
- 18. On the eve of the JCMB session, the U.S. and U.K. delegations negotiated to forestall a last-minute attempt by Afghan National Development Strategy officials to insert language into the JCMB's

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Counter-narcotics Implementation Plan stating that non-negotiated eradication "will cause a popular uprising" in Helmand. Minister of Counter-narcotics Khodaidad and Deputy Minister of Interior for Counter-narcotics Daoud opposed this language, and by working with those officials, Amb. Schweich obtained GIROA agreement for less inflammatory language stating that eradication in Helmand will be undertaken in areas where alternative livelihoods are available in order to minimize the risk of popular discontent. Schweich also successfully pressed back on the GIROA's attempt to make new AL funding a precondition for eradication and other CN activities. In response, the Afghans moderated their position, saying that strongly increased AL should go hand in hand with more effective eradication. The U.S., the World Bank, and other donors also headed off Afghan demands that massive crop subsidies and price supports be deployed for AL.

UNODC and U.S. Point to Narcotics' Strategic Threat

- 19. UNODC Director Costa conditioned his mildly positive assessment by describing the strategic threat posed by Afghanistan's narcotics industry, particularly in regard to its connection with the insurgency. More than three-quarters of Afghanistan's poppy is grown in areas beyond government control. Costa estimated that the Taliban will collect close to \$100 million by taxing narcotics in 2008, in addition to money raised by running heroin labs and drug exports. Costa claimed that, while farmers sold off opium stocks as prices fell, the Taliban stockpiled as much as 3 million tons of surplus opium in 2007 to finance future anti-government operations. Costa lamented the Afghan government's poor record on CN implementation to date and said that, "though the situation is not yet desperate, time is not on the right side." He warned that the Afghan government should not be allowed to use its opium problem to leverage more financial assistance from donors. Costa also noted the recent expansion of cannabis production in many parts of the country could lead to a new record of as much as 70,000 hectares of cannabis cultivated in 2008.
- 10. DCM Dell bolstered Costa's remarks by describing the strong consensus that now exists regarding the insurgency-narcotics nexus and the need to take decisive action now rather than letting the problem grow worse. He applauded the Afghan government's commitment to provide force protection to eradicators in 2008 and welcomed the Afghan implementation plan's new emphasis on doing CN planning at the provincial level.

Aid Effectiveness and Support to Afghan National Development Strategy (ANDS)

111. Minister of Finance Ahady provided an economic brief, pointing out how the GIROA has improved its financial situation, doubling tax revenues over the past three years; he noted, however, that the GIROA is currently behind its FY 1386 (ending 21 March 2008) domestic revenue target of \$715 million by \$30 million, he remained optimistic that the government could make up the difference and meet the domestic revenue target. He also asserted that the GIROA was improving its ability to spend its budget allocations (mostly foreign funds), and urged donors to channel more aid through the Finance Ministry. Implicitly asking for the help of the International Community, he asserted that the GIROA is committed to a market economy, though many Afghans are asking for subsidized food and fuel. Ahady thanked USAID for providing emergency food aid for Afghanistan's poor who cannot afford high-priced food.

Task Force on Police Review

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112. Ministry of Interior (MoI) Deputy Minister Daoud reported on efforts, in cooperation with the Combined Strategic Transition Command - Afghanistan (CSTC-A), to train the Afghan police. He thanked Germany and the European Union (EU), and singled out the U.S. Government for special thanks for our aid. Incompetent and illiterate police officers, including 40 police generals, are being fired, and new, educated officers are replacing them. However, MoI lacks sufficient equipment for demining and unexploded ordnance (UXO) operations.

National Justice Program, Elections, Anti-Corruption

- 113. Justice Minister Danish reported on efforts to build on the August 2007 Rome Rule of Law (ROL) conference to improve justice in Afghanistan through improved infrastructure (courthouses) and the implementation of new and updated laws. The challenge of the National Justice Program (NJP) is that poor security hinders justice delivery, and ROL capacity in the countryside is lacking. He asked for more funding to carry out the ambitious National Justice Program goals. The cabinet has approved the draft election law, which is now before the Parliament, and a joint commission will soon create a good timeline for elections. The Parliament approved the United National Convention on Anti-Corruption (UNCAC), and the government is now preparing a package of bills for the Parliament modifying existing Afghan legislation to conform to the UNCAC's requirements. On the Senior Appointments Mechanism, Danish said that the Senior Appointments Board and its Terms of Reference should be established soon, and should identify competent candidates for senior positions.
- 114. Responding to Danish's presentation, Asplund proposed a discussion in Kabul of the concept that donor countries should pool their NJP and ROL money into a common fund, rather than having each country work in different sectors. The EU pointed out that the GIROA needs to mainstream human rights protection through passage of a media law that supports freedom of the media. The European Commission (EC) threatened to introduce conditionality into the Law and Order Trust Fund for Afghanistan (LOTFA) as it feels that police and ROL reform efforts had been insufficient. Donors requested one simultaneous election for both president and parliament, which would be possible if parliament dissolved itself one year earlier than scheduled, and also asked that political parties be encouraged rather than hindered. Many donors cited their readiness to provide immediate funding for voter registration and elections, as soon as the GIROA take key actions. Many also supported a census prior to the election to both support drawing of electoral districts and assist in delivering Afghan National Development Strategy (ANDS) services, and asked for sufficient funding to hold the census in August 2008. The U.S. countered that while we supported a census in principle, undertaking one should not become a reason for delaying electoral preparations.

115. Responding to the international community's criticisms, Minister for the Disbanding of Illegally Armed Groups (DIAG) Mohammed Masoom Stanekzai stated that any cost-benefit study should balance the efficiency of outside foreign experts performing government services versus the benefit of Afghans performing them in a "learning by doing" approach that would build and improve on capacity in the Afghan Government.

Endorsement of Proposed JCMB VII Actions/Decisions

 $\P 16$. In general, discussion of the proposed JCMB VII "Actions and Decisions" provoked heated discussion, and also revealed

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considerable pent-up international community frustration with the seeming unwillingness of the GIROA to tackle the difficult problems of corruption and counter-narcotics. Several international community delegates called for greater "political will and strong leadership" on corruption and narcotics, a thinly veiled criticism of President Karzai.

Pillar one - Security

117. The EC representative, Ambassador Kretschmer recommended language which called on the Interior Ministry to report to JCMB-VIII on efforts to reduce internal corruption, and to have salary paid only to police who are actually working. He also recommended textual changes to approve the Afghan National Army (ANA) force structure increase of 10,000 (16,000 including the 6,000 person training float), calling for an assessment of fiscal sustainability of any further force structure increases. These recommendations were adopted by the JCMB.

Pillar Two - Governance, Rule of Law and Human Rights

118. The EC representative also proposed several entirely new "decisions" and proposed modifying others. For the item on anti-corruption, he called for "meaningful progress" by the GIROA on anti-corruption by JCMB IX (roughly six months from now, in late summer/early fall of 2008). A proposed eighteen month extension in the deadline for modifying domestic anti-corruption legislation to conform to the U.N. Anti-Corruption Convention, was trimmed to a twelve month extension, which the explicit intention of increasing pressure on the GIROA to act promptly on this issue. Implicitly referring to a recent incident where a journalist has been sentenced to death for insulting Islam, a new "decision" was adopted calling on the GIROA to approve quickly a media law consistent with freedom of expression enshrined in the Afghan constitution and with the international conventions to which Afghanistan is a party.

Pillar Three - Economic and Social Development

119. For item 3.1 on energy development, the World Bank proposed an additional sentence calling on the GIROA to accelerate restructuring of the national electricity bureau (DABM) as a publicly-owned national company with operational independence.

Cross-Cutting Theme One - Counter Narcotics

120. The group rewrote the item on reform of the Counter-Narcotics Trust Fund (CNTF) to explicitly state that the international stakeholders are full partners in the process of suggesting CNTF reform "proposals" to JCMB VIII, and that the GIROA is not/not authorized to implement any measures. It also adopted an additional item calling on the GIROA to submit to JCMB-VIII an updated report on measures that it has taken against those Afghan public officials linked to the narcotics industry and narco-trading.

Cross-cutting Theme Two - Aid Coordination

121. During the discussion, the French Ambassador announced, and the group welcomed, that the French Government would formally propose to the GIROA that it host an international donor's conference in Paris in June 2008 (likely during the last week of June to allow more time

for preparation.) By the end of the meetings, the GIRoA and the French Government confirmed the meeting, although the precise date is yet to be determined.

Closing Remarks

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122. In his closing remarks and implicitly referring to criticisms of last minute preparations of JCMB documents, which left delegations little time to study them and refer questions to capitals, Asplund said that the JCMB Secretariat needs to be strengthened. This question will be discussed further in Kabul. Asplund also suggested that JCMB-VIII focus on governance issues, especially those involving sub-national governance.

COMMENT

- 123. This JCMB proved to be an action-forcing event that caused the GIROA to focus on counter-narcotics (CN) as a key issue, which was our key objective at this meeting. The GIROA eventually reconfirmed the validity of the Policy Action Group's twelve CN action points, a question on which the GIROA had been wavering recently, because the PAG 12 points called for proactive poppy eradication and for ANA forces under the Ministry of Defense to provide force protection for poppy eradication workers. But through negotiations the GIROA became convinced that it had no choice but to accept these twelve points. While the adoption of a JCMB discussion paper on counter-narcotics that is stronger that what we were expecting even one month ago is a positive achievement, as several delegations noted, the proof will depend on the GIROA's implementation in the poppy fields, and achieving the goal of eradicating 50,000 hectares of poppy.
- 124. Also, as the unexpectedly long debate over the "actions and decisions" shows, the delegates were much less diplomatic at this JCMB, especially concerning which is perceived as the GIRoA's continued lack of sufficient action on corruption and counter-narcotics. Delegates were galled that Afghan government officials about whom there is credible evidence linking them to narco-trafficking and corrupt bribe-taking still remain in office. While the GIRoA ministers attempted to defend the President, their answers seemed vague and weak.
- ¶25. The next JCMB theme of governance highlights what is seen as a key weakness in the GIRoA's counter-insurgency (COIN) efforts. While Dr. Popal, the Director of the Independent Directorate of Local Government (IDLG) has made a good start at improving the delivery of Afghan Government services to the local level, the JCMB obviously feels that more needs to be done, and that directing the GIRoA's attention to this area will have good effects. END COMMENT.

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